

Office of the Deputy Mayor for Planning and Economic Development

Description	FY 2002 Approved	FY 2003 Proposed	% Change
Operating Budget	\$32,839,692*	\$21,245,131	-35.3

*Reflects the total funding for the Business Services and Economic Development cluster before the separation of the agencies in FY 2003.

The mission of the Office of the Deputy Mayor for Planning and Economic Development (DMPED) is to facilitate the creation and growth of wealth in the District of Columbia and the expansion of its revenue base.

This includes developing programs and policies for the retention, expansion, and attraction of commerce, including Local, small and disadvantaged business; as well as maintaining stable, diverse and attractive neighborhoods.

Prior to FY 2003, the DMPED was an agency within the Business Services and Economic Development cluster, which included three other agencies (the Office of Motion Picture and Television Development, the Office of Local Business Development, and the Office of Planning.) For FY 2003, DMPED will become a separate cabinet level agency.

DMPED plans to fulfill its mission by achieving the following strategic result goals:

- Revitalize neighborhoods with a variety of housing and retail developments to strength-

en the tax base and improve the quality of life in the District.

- Expand and diversify the District's economy by attracting new business and industries in conjunction with retaining our existing businesses and helping them expand, while streamlining the regulatory process to facilitate economic development.
- Provide economic opportunity for District residents by promoting projects and policies to increase employment, job training and entrepreneurship.

Did you know...

Affordable housing units financed in FY 2001	3,784
Land area of the District in FY 2001	28,892 acres
District land used for commercial or industrial purposes in FY 2001	12,745 acres

Where the Money Comes From

Table EB0-1 shows the various source(s) of funding and the funding levels for the Deputy Mayor for Planning and Economic Development.

Table EB0-1

FY 2003 Proposed Operating Budget, by Revenue Type

(dollars in thousands)

	Actual FY 2000	Actual FY 2001	Approved FY 2002	Proposed FY 2003	Change From FY 2002
Local	6,762	11,033	16,440	5,149	-11,291
Federal	739	297	304	0	-304
Other	8,384	10,023	16,096	16,096	0
Intra-District	808	1,349	0	0	0
Gross Funds	16,693	22,703	32,840	21,245	-11,595

How the Money is Allocated

Tables EB0-2 and 3 show the FY 2003 proposed budget and FTEs for the agency at the Comptroller Source Group level (Object Class levels).

Table EB0-2

FY 2003 Proposed Operating Budget, by Comptroller Source Group

(dollars in thousands)

	Actual FY 2000	Actual FY 2001	Approved FY 2002	Proposed FY 2003	Change from FY 2002
Regular Pay - Cont Full Time	3,094	5,222	6,713	1,919	-4,794
Regular Pay - Other	52	267	0	0	0
Additional Gross Pay	55	115	0	0	0
Fringe Benefits - Curr Personnel	398	846	1,187	283	-903
Unknown Payroll Postings	0	0	0	0	0
<i>Personal Services</i>	<i>3,599</i>	<i>6,450</i>	<i>7,899</i>	<i>2,202</i>	<i>-5,697</i>
Supplies and Materials	137	65	240	182	-58
Energy, Comm. and Bldg Rentals	56	61	23	4	-19
Telephone, Telegraph, Telegram, Etc	169	64	89	58	-31
Rentals - Land and Structures	553	1,535	762	31	-731
Janitorial Services	0	0	18	0	-18
Security Services	0	0	22	0	-22
Other Services and Charges	3,196	5,003	7,042	2,719	-4,323
Contractual Services - Other	311	19	1,667	1,000	-667
Subsidies and Transfers	8,404	9,250	15,000	15,000	0
Equipment & Equipment Rental	267	256	76	48	-28
<i>Non-personal Services</i>	<i>13,094</i>	<i>16,253</i>	<i>24,940</i>	<i>19,043</i>	<i>-5,897</i>
Total Proposed Operating Budget	16,693	22,703	32,840	21,245	-11,595

Table EB0-3

FY 2003 Full-Time Equivalent Employment Levels

	Actual FY 2000	Actual FY 2001	Approved FY 2002	Proposed FY 2003	Change from FY 2002
Continuing full time	47	71	102	23	-79
Term full time	7	4.75	0	0	0
Total FTEs	54	75.75	102	23	-79

Funding Summary

Based on the separation of agencies the numbers below were derived from the FY 2002 aggregate funding level for the Business Services and Economic Development cluster's approved budget and have been isolated strictly for historical and comparative purposes.

Local Funds

The proposed Local funding for the DMPED is \$5,148,705, a net decrease of \$2,508,587 from the FY 2002 approved Local funding level of \$7,657,292. This variance is comprised of an increase of \$25,274 in personal services and a decrease of \$2,533,861 in nonpersonal services.

There are 16 FTEs supported by Local funds, which represents an increase of one FTE over the FY 2002 approved level. This is due to a mayoral enhancement decision to add FTE authority for an administrative support staff.

Significant changes are:

- A net increase of \$25,274 in personal services, including increases of \$21,977 in salaries and \$3,297 in fringe benefits due to the mayoral pay increase approved in FY 2002.
- A net decrease of \$133,861 in fixed costs.
- A net reduction in the amount of \$2,400,000 in nonpersonal services for overall economic development initiatives is associated with cost-savings initiatives.

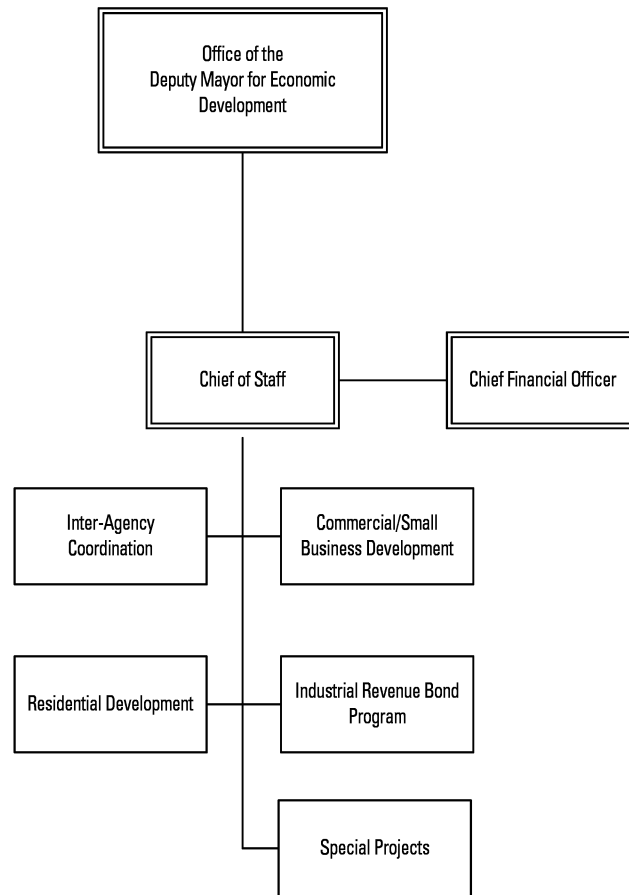
Other Funds

The proposed Other budget is \$16,096,426, which represents no change from the approved FY 2002 funding level.

There are 7 FTEs funded by Other funds, which represents no change from the FY 2002 approved FTE level.

Figure EB0-1

Office of the Deputy Mayor for Planning and Economic Development



Programs

To achieve the strategic goals identified by the agency, DMPED manages the following programs:

The Office of the Deputy Mayor for Planning and Economic Development promulgates and enforces the policies of the Mayor's Office in the field of neighborhood revitalization and economic development. DMPED assists the Mayor in the coordination, planning, supervision and, in some cases execution, of all programs, policies, proposals and functions related to economic development in the District of Columbia. The agency also advises the Mayor on the most effective allocation of public resources devoted to economic development.

The key initiatives of this program for FY 2003 are:

- Add an additional four traditional neighborhood business corridors to the Main Streets Program.
- Obtain site control of 200 vacant and/or abandoned properties in targeted areas and offer them for redevelopment as residential housing.
- Provide specific technical assistance for 80 neighborhood commercial projects in areas outside Main Streets designated areas.
- Sponsor or co-sponsor at least three conferences on such topics of interest to District businesses as procurement opportunities emerging technology, and retail development.

- Provide Industrial Revenue Bond financing for approximately 20 economic development projects.
- Make available for lease at reduced rates up to 30,000 square feet of commercial space for technology companies.
- Survey the needs and growth plans of approximately 500 local businesses and respond to approximately 1,200 business inquiries through the DC Marketing Center.

Capital Improvement Plan

As part of the District wide cost savings initiative for FY 20023, the Office of the Deputy Mayor for Planning and Economic Development (DMPED) the capital improvement budget authority was reduced by \$3,000,000 (Refer to Capital Improvement Plans, Appendix E).

There is no new proposed capital funding for BSED in FY 2003. However, the agency will receive \$8,600,000 in previously approved expenditure authority in FY 2003. The funding

will support the neighborhood revitalization and streetscape improvement programs. This initiative will result in the development of annual strategic plans for each neighborhood cluster, guiding development of a citywide strategic plan. The focus of the agency's program is on street, alley and infrastructure improvements, and vacant property development.

Agency Goals and Performance Measures

Goal 1: Promoting economic development.

Citywide Strategic Priority Area: Promoting Economic Development

Manager: Eric Price, Deputy Mayor, Planning and Economic Development

Supervisor: Anthony A. Williams, Mayor

Table EB0-2

Capital Improvement Plan, FY 2001-FY 2008

(dollars in thousands)

Cost Elements	Through FY 2001	Budgeted FY 2002	Total	FUNDING SCHEDULE						6 Years Budget	Total Budget
				Year 1 FY 2003	Year 2 FY 2004	Year 3 FY 2005	Year 4 FY 2006	Year 5 FY 2007	Year 6 FY 2008		
a. Long Term Financing:	7,100	8,600	15,700	8,600	0	0	0	0	0	8,600	24,300
b. Local Street Fund:	0	0	0	0	0	0	0	0	0	0	0
c. Grants:	0	0	0	0	0	0	0	0	0	0	0
d. Pay Go:	0	0	0	0	0	0	0	0	0	0	0
e. Hwy Trust Fund:	0	0	0	0	0	0	0	0	0	0	0
f. Equipment Lease	0	0	0	0	0	0	0	0	0	0	0
g. Alternative Financing	0	0	0	0	0	0	0	0	0	0	0
h. Other:	0	0	0	0	0	0	0	0	0	0	0
Total:	7,100	8,600	15,700	8,600	0	0	0	0	0	8,600	24,300
				EXPENDITURE SCHEDULE							
a. Design:	0	0	0	0	0	0	0	0	0	0	0
b. Site:	3,000	0	3,000	0	0	0	0	0	0	0	3,000
c. Project Management:	0	0	0	0	0	0	0	0	0	0	0
d. Construction:	4,100	8,600	12,700	8,600	0	0	0	0	0	8,600	21,300
e. Equipment:	0	0	0	0	0	0	0	0	0	0	0
Total:	7,100	8,600	15,700	8,600	0	0	0	0	0	8,600	24,300

Measure 1.1: Demolish vacant and abandoned housing units

	2000	2001	Fiscal Year 2002	2003	2004
Target	500	400	400	300	200
Actual	601	599	-	-	-

Measure 1.2: Board up, vacant, and abandoned properties

	2000	2001	Fiscal Year 2002	2003	2004
Target	1500	1200	1200	900	700
Actual	2038	1536	-	-	-

Note: FY 2002 target adjusted from 1,750 to 1,200 on 2/7/02 at the request of DCRA. In their FY 2003 submission, DCRA revised its performance report for this measure to report that instead of a target of 1,000 and actual of 1,352 for FY 2000, it actually cleaned and abated 2,038 nuisance properties against a target of 1,500.

Measure 1.3: Number of new single-family and multi-family units funded through construction assistance loans made in the fiscal year

	2000	2001	Fiscal Year 2002	2003	2004
Target	250	800	408	408	408
Actual	441	1778	-	-	-

Note: DHCD amended its FY 2001 actual from 1,687 to 1,778. A review of all raw data captured 91 units not previously reported (2/27/02). This resulted from uncertainty about a project closing within a reporting month, or from uncertainty about the mix of new/rehab units within a project. (DHCD will institute a quarterly data review to assure currency of data.)

Measure 1.4: Number of single-family and multi-family units funded through rehabilitation loans made in the fiscal year

	2000	2001	Fiscal Year 2002	2003	2004
Target	496	1870	1109	1100	1100
Actual	500	1216	-	-	-

Note: FY 2002 target: 1,159 multi-family; 55 single family.

Measure 1.5: Initiate new retail development in the District's neighborhoods

	2000	2001	Fiscal Year 2002	2003	2004
Target	2	1	1	N/A	N/A
Actual	1	1	-	-	-

Note: Includes supermarkets, department stores, etc.

Measure 1.6: Employ residents in unsubsidized, private sector jobs

	2000	2001	Fiscal Year 2002	2003	2004
Target	1000	2400	2400	2400	2400
Actual	2238	3657	-	-	-

Goal 2: Coordinate multi-agency and federal partner participation in advancing the Mayor's Economic Development Agenda.

Citywide Strategic Priority Area: Promoting Economic Development

Manager: Eric Price, Deputy Mayor for Planning and Economic Development

Supervisor: Anthony A. Williams, Mayor

Measure 2.1: Obtain title and begin redevelopment of vacant and abandoned housing properties under auspices of the Vacant Housing Initiative.

	2000	2001	Fiscal Year 2002	2003	2004
Target	N/A	N/A	50	100	100
Actual	N/A	N/A	-	-	-

Measure 2.2: Launch Restore DC neighborhood commercial revitalization program to improve retail options in neighborhood commercial districts.

	2000	2001	Fiscal Year 2002	2003	2004
Target	N/A	N/A	5	5	5
Actual	N/A	N/A	-	-	-

Measure 2.3: Coordinate agency review of existing procedures and develop recommendations to increase public participation in accessing the environmental impact of major development projects. Propose new regulations and/or legislation in FY 2003.

	2000	2001	Fiscal Year 2002	2003	2004
Target	N/A	N/A	N/A	1	N/A
Actual	N/A	N/A	-	-	-